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Good afternoon, Mr. Chairman and members to the Public Health and Human Service Subcommittee, my name is Dennis Taylor. I am the policy coordinator for the Montana Children's Initiative, a provider organization providing children's mental health services, shelter care and foster parent services in virtually every county in the state of Montana.

Over the years, I have been a group home parent in shelter care facilities, a teaching parent in a therapeutic group home, the foster parent to five teenaged foster daughters and a member of the board of directors of two MCI member organizations in Helena and Missoula. My experience with youth services in Montana spans nearly four decades. Please permit me to briefly share my observations about the positive changes that have occurred in Montana.

In many ways it all started with the strikes in our state institutions in the 1960s and 1970s. National Guard members from all over Montana were called out to run our state institutions during the strike. The conditions that the National Guard members found in our state institutions were deplorable. Citizens were outraged and demanded a better way.

The Legislature took on the challenge to find a better way and in the 1970s began to pass legislation that made a significant policy commitment to create and maintain a statewide system of community based services. And then the Legislature put real money behind their policies. Over the decades, Montana has developed a good yet fragile community based system of care for children with mental illness, developmental disabilities and autism. We have in place a real continuum of care and an array of services that makes Montana the envy of other states in our region.

Thanks to you, the Montana Legislature, that system has steadily improved over the years to meet the needs of children and their families all over our state. The single biggest reason why our system of care works so well has been the wise use of Medicaid to help fund these critical community based services. Through State Plan amendments and several different statewide home and community based waiver programs; Medicaid has become the glue that holds these fragile statewide service systems together.

The biggest benefit of Medicaid for the citizens of Montana has always been the return on investment based on the federal match. For every dollar spent on eligible Medicaid services, the federal match or return is 66 cents.

Without Medicaid, community- and family-based providers would not be able to survive to meet the growing needs of children and families. The system would fail. Families would be overwhelmed and fail. Children suffering from serious, long term emotional disturbances and

mental illness would fail. Costly out of state placements will increase. Costs will continue to grow. Local hospitals, clinics, physicians, therapists and others would be forced to deny care or provide services free of charge, for a limited time. Without Medicaid, children will fall through the crack and families will be devastated. All this unnecessary suffering and tragedy must be averted by continued support for the recommended Medicaid services levels.

Services provided using Medicaid funds allow families to recover from life changing events and go on to be productive members of their community. Programs available in even the smallest communities in Montana receive Medicaid funding and support families in their efforts ensure that their children can stay in the community and not have to move to a bigger city or out of state to obtain services.

Thanks to Medicaid funding and a partnership with the Department of Public Health and Human Services, we are well on our way to meeting our goals to keep children safe, help them recover, remain with their families, stay in their communities and grow up to become productive citizens.

Unfortunately, we are only part way toward making these simple goals an enduring reality in Montana. We still need a fully integrated statewide system of care with an appropriate array of services that allows custom made treatment plans that meet individual issues and needs. We can not do that without the continued wise use of Medicaid funds.

Our mental health system for children and families needs well-funded community based providers, important and simple rules that protect consumers but allow creativity and efficiency, integrated systems that moves smoothly for the child and their family between mental health, youth courts, child protection and the schools.

Finally, we believe that Medicaid services for children's mental health must incentivize community-based services rather than higher end closed placements and give priority to maintaining or reconnecting families. This demands a partnership between funder and provider where each assist the other in meeting our goals.

Medicaid has meant increased services, increased innovation, increased variety and more focused treatment that is outcome based. Now we need a system that demonstrates these principles beyond any doubt. We need your help.

Mr. Chairman and member of the subcommittee, **the Montana Children's Initiative (MCI) wholeheartedly supports the executive budget recommendations for the Medicaid program and asks for your support and partnership to ensure the necessary funds to maintain our current system of care without further erosion.**

Thank you.